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C O N F I D E N T I A L SECTION 01 OF 04 JAKARTA 002990

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SUBJECT: DEFENSE COOPERATION -- ENGAGING INDONESIA ON  
FUTURE OF MIL-MIL RELATIONSHIP

REF: A. JAKARTA 2725  
[1](#)B. JAKARTA 2934  
[1](#)C. JAKARTA 2893

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Classified By: Ambassador Cameron R. Hume, reasons 1.4 (b,d).

[1](#)1. (C) SUMMARY: The U.S.-Indonesian military-to-military relationship has reached an important phase. Both sides need to discuss how they see this relationship developing. The October 29-November 3 CHODS conference in Hawaii provides Admiral Keating with an ideal opportunity to engage Panglima Gen. Djoko Suyanto--the central player on the Indonesian military side--to shape Indonesian perceptions, mobilize support in key areas and, in general, move the relationship forward. Key issues are the scheduled re-engagement with the Army Special Forces (KOPASSUS), the deployment of coastal radars for the Sulawesi Sea provided with assistance under Section 1206, and the status of Indonesia's inquiry regarding F-16 sales. Interaction with the Panglima at the conference will help set up Admiral Keating's November visit to Indonesia. END SUMMARY.

#### KEY FACTORS AND CHALLENGES

[1](#)2. (C) After more than a decade of strained relations, we have an opportunity to repair U.S.-Indonesian military-to-military relations. There has been an uptick in Indonesian purchases of U.S. defense equipment, but some mega-deals in the works would return that relationship to the scale of our pre-sanctions cooperation. These deals, notably prospective F-16 purchases and upgrades (ref a), are signaling that, for at least part of the TNI leadership, including the current Panglima, the TNI wants U.S. equipment and closer ties. Licensing requests for these deals appear to be within current guidelines, and we would hope that Admiral Keating could assure the Panglima of his support of them. Rhetoric from other elements of the TNI and the GOI,

notably from Navy Chief Soebijanto and Defense Minister Sudarsono, as well as the national legislature (DPR), reflect persistent skepticism about U.S. reliability and resentment over past sanctions, however. It will take time to overcome that skepticism, but now we are at a moment to push forward.

13. (C) There are other signs of Indonesia's seriousness. In just the two years since U.S. sanctions were lifted, Indonesia has taken a central position in hosting major U.S.-supported multilateral regional-security events. From a starting point of zero events in 2005, Indonesia hosted a Pacific Area Senior Officers Logistics Seminar (PASOLS) and a Western Pacific Naval Symposium Disaster Relief Exercise in 2007 and will host or co-host the CHODS conference, a Unified Engagement Air Force Exercise, a Tendon Valiant Medical Readiness Exercise, an annual Maritime Tri-border Security Conference and a Pacific Armies Management Seminar (PAMS) in 2008. These events give Indonesia the opportunity to deepen its security cooperation with the United States and Indonesia's neighbors. They demonstrate that Indonesia is readily shouldering its share of the regional security agenda and wants to do more.

#### SHAPING THE FUTURE

14. (C) Jakarta professes, as does Washington, to want a "strategic partnership," but that goal remains largely unrealized in practice. Indonesia's expectations for bilateral defense cooperation with the United States have not gelled either. Indonesian policy remains in flux, a reflection of the nascent nature of the bilateral relationship, uncertainty about Washington's long-term intentions and weak policy coordination within the Indonesian government. The Indonesian defense policy-making process remains fractured, given Defense Minister Juwono Sudarsono's limited control over the TNI and TNI HQ's limited control

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over the respective defense services. Further Indonesian legislation, together with the results of the U.S.-sponsored Defense Resources Management Study (DRMS), will help correct this situation over time.

15. (C) In the meantime, we must operate by actively engaging Indonesian political and military leaders to mobilize a consensus supporting U.S. interests and objectives. President Yudhoyono, MinDef Sudarsono and the Panglima are the three most important players. Admiral Keating's discussions, first at the October 29-November 3 CHODS conference in Hawaii and later during his November 18-21 visit to Indonesia, together with our discussions here in preparation for that visit, will stimulate thinking on the relationship and begin to develop a consensus within the Indonesian government in order to move forward.

#### STEPS WE ARE TAKING

16. (C) Rebuilding a reliable partnership requires engagement with the TNI across the board. We have expanded our dialogue and activities to encompass an ever-larger circle of TNI elements and defense topics. The now-annual Strategic Dialogue (IUSSD) and Bilateral Defense Discussions (BDD) provide constructive exchanges on a wide range of topics, and the annual Theater Security Cooperation Plan (TSCP) facilitates a comprehensive menu of substantive training opportunities and other joint events. IMET programs offer exposure to U.S. educational and policy establishments and provide valuable contacts which will underpin professional contacts for decades to come. We need maximal IMET funding here to make up for the lost generation of TNI officers who were cut off from U.S. training during the embargo. These successful initiatives demonstrate the sincerity of our intentions to help the Indonesian military become the professional force that it should.

17. (C) The next step that we are now taking in this direction

is engagement with Indonesia's Army Special Forces (KOPASSUS). After years of restrictions in our bilateral relationship, these elite forces must be folded into our bilateral cooperation if Indonesia is to play an effective security role in the region as we desire. Engagement with KOPASSUS is required for this Mission's ability to advance and protect U.S. interests and personnel in Indonesia. We have laid out a clear rationale for this course of action and a targeted, calibrated series of events designed to assess and ultimately help shape KOPASSUS skills and capabilities, beginning with human rights and developing counter-terrorism and counter-insurgency capabilities (ref b).

18. (C) We are also advancing an approach to licensing for sales to Indonesia, from pistols to larger pieces of equipment, that supports our interests here and is consistent with the Secretary's waiver decision. So far this year Washington has approved none of Indonesia's eight FMS pistol license applications (two license applications for commercial sale of competition pistols were approved), but it has approved 32 of 51 for the Philippines (despite documented "summary executions of 20 individuals by government forces" as reported by the 2006 Country Report on Human Rights Practices) and 69 of 89 for Thailand (despite a coup d'etat in 2006). Given the political progress in Indonesia, the approval rate for Indonesia should be at least on par with these other countries. We can assure the Panglima that we are actively trying to shape a new policy consensus in Washington which is transparent, understandable and commensurate with our growing cooperation.

#### STEPS INDONESIA CAN TAKE

19. (C) From our side, we need to maintain momentum for engagement. The lifting of sanctions in November 2005 gave a

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powerful psychological boost to the relationship and laid the policy foundation for broad cooperation. That decision remains the basis for our engagement with the TNI. The burst of defense-sector reforms in 2002 and 2004, however, has slowed and internalized. We need to push additional reforms here to demonstrate Indonesia's continued determination to break with the past and mold the TNI into a modern, professional military.

110. (C) Indonesia has not prosecuted past human rights violations in any consistent manner. While we need to keep Indonesia mindful of the consequences of inaction on TNI accountability, Indonesia is unlikely to abandon its approach. We need therefore to encourage the Indonesian government to take alternative steps to demonstrate accountability. Although there is no alleged connection to the TNI, prosecution of human rights activist Munir's murderers (reportedly linked to intelligence services) is one such step, and the recent efforts by the president's new attorney general should be supported. A more sincere dialogue with East Timor in the framework of the Truth and Friendship Commission (TFC) would be another. The Yudhoyono administration can take these steps without dividing the country or sacrificing political support, and they would go a long way to create a more favorable atmosphere in Washington for further military engagement.

111. (C) On KOPASSUS, the GOI and the TNI should ensure that KOPASSUS builds a positive public image and actively works to leave behind former habits and allegiances that are incompatible with a professional military in a democracy. It is in the interest of Indonesia's political and military leaders to manage this issue. The Panglima is in a better position than anyone else to make this happen.

112. (C) Other positive steps are somewhat easier. Indonesia plays a constructive role in UN-sponsored international peacekeeping activities, one which we welcome and actively support. The deployment of Indonesia's 850-troop Garuda

XXIII battalion with UNIFIL in Lebanon, the most visible example, includes the president's son, and a replacement force of equal size will rotate into Lebanon later this year.

Indonesia will of its own accord continue this long and proud tradition, and we should welcome these efforts and support them with assistance where necessary.

#### COASTAL RADARS

¶13. (C) The coastal radars on the Sulawesi Sea that we offered to Indonesia under Section 1206 of the NDAA for FY2007 and FY2008 have encountered roadblocks due to Indonesian backtracking (ref c). We need the Panglima's personal engagement on this issue now in order to keep this important project on track. Failure of these assistance programs would forfeit a great opportunity for security cooperation in a critical area and would send the wrong signal about TNI willingness to support U.S. regional security objectives.

¶14. (C) Admiral Soebijanto's preference to place the radars on the Makassar Strait is understandable, but the real obstacle to our radar plan may be Soebijanto's personal suspicion or an institutionalized version of it. In contrast to the Indonesian Air Force, which is eager to engage with the United States, and the Indonesian Army, which is less uniform but still favorably disposed overall, the Indonesian Navy seems stuck in a past of sanctions and ill will. Navy-Navy cooperation is vital in maintaining free passage through Indonesia's international waterways and interdicting terrorists and weapons of mass destruction on the high seas. Resolving the 1206 impasse, therefore, is in our interest over the longer term.

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¶15. (C) More broadly, our message to the Panglima and other Indonesian leaders, including the President, should be to chart the benefits of future bilateral cooperation with the TNI as a whole. The gains we have achieved with the Indonesian Army or the Air Force, including pending engagement with KOPASSUS and F-16 sales, could be undercut by a recalcitrant Indonesian Navy.

#### FINDING A STRATEGIC CENTER

¶16. We need to work with the Indonesians to find a shared strategic center for the relationship. A strategic center would provide balance and gravity to keep the relationship on course against the headwinds that inevitably buffet any relationship. We need to set a course toward shared, defined objectives. The headline would be the strategic partnership that President Bush and President Yudhoyono envisioned when they met in Indonesia in November 2006. Beneath it would be other, more specific objectives. We now have several concrete issues on the table which we can use to get this discussion moving. We hope over the coming weeks and months to develop with the Indonesians a shared sense of where we intend to take our mil-mil relationship in the future.

HUME